

## BUSINESS HISTORY: A VIEW FROM WITHIN

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When I was a much younger man, serving time as a student at the University of the Philippines in Manila, I spent what now seems like endless hours in a hot and stuffy classroom, listening to a very dull professor of economics expound the Malthusian theory and other principles on which undergraduates are supposed to cut their teeth.

Let me confess that I was bored to death, and the fact that I am here tonight is a tribute to my youthful stamina in those days and to a strong determination to survive and some day get a professor of economics in a captive audience.

Tonight, I see quite a few of you in front of me. Let me say that this, ladies and gentlemen, is a Walter Mitty dream come true.

We have, at our executive headquarters near Chicago's O'Hare International Airport, a couple of lobby exhibits where we display mementos of our pioneering years. One of the items which invariably draws chuckles from visitors is a letter we retrieved from the scrapbook of Leon Cuddeback, the pilot who flew the first load of mail for Varney Air Lines, one of our predecessor companies. The letter bears no date, but we think it might have been written in the mid-twenties, when aviation was but a boisterous stepchild of progress. The message is in red ink, written in a firm hand that conveys rugged individualism. The signature reads, "Berrie Raisers of Ada Country," which is in the vicinity of Boise, Idaho. Let me read you this letter:

"Dear Aviators One and All: Please have sence enough to stay off from over the berry pickers as the pickers get the headache and are unable to pick berries on the count of your g-- d--- racket."

I do not expect to make a racket tonight, but if I do, I invite the berry pickers among you to write me a letter. I may display it alongside the Cuddeback memento.

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Ladies and gentlemen, those of you who attended the highly interesting Conference held by this group in London last year may recall the question I raised from the floor during the session on company historians.

In that particular incident, I asked Professor Overton, who has just presented a paper on his experiences as historian for the Burlington Railway, how "kept historians" might better serve the cause of business history.

In his reply, the good professor drew from his storehouse

of personal encounters with pseudo-historians in the public relations departments of certain corporations and, branding corporate historians as "glorified public relations men, antiquarians, maggies, and squirrels," he made the blunt observation that only when corporate historians demonstrate the courage to chronicle the bad as well as the good in their company history, only when they become selective in their collection of historical data, and only when they become analytical in their presentation of such data, then and only then will they truly serve the cause of business history. Professor Overton was, in effect, issuing a challenge for corporate historians to stand up and be counted in the arena of truth.

Frankly, I was delighted and grateful that Professor Overton put it as strongly as he did.

We who labor in the industrial vineyards like to think that we, too, are serving the cause of truth in history and Professor Overton is right, you know. He spoke the truth. Unfortunately, he chose to call to our attention the 90 percent of corporate historians who wouldn't give a tinker's dam about such academic conferences as the Lexington group or the Sheraton group find so stimulating. My question was raised in behalf of the 10 percent of corporate historians who are just as dedicated, just as honest, and, I would venture to say, just as courageous as their academic brethren. I am delighted that Professor Overton was blunt and honest, for his views have given me a solid foundation on which to build this "apologia pro historiis corporeis."

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Ladies and gentlemen, I come to you as a hunter roaming what I hope is an unposted game preserve, and the only reason I am able to do this without trepidation is that, a few weeks ago, I chanced to read once again some of the very encouraging declarations which came out of your 1961 Business History Conference held on the campus of Harvard University.<sup>1</sup>

In that Conference, you may recall the challenge which Dr. Fritz Redlich issued in his paper, "Approaches to Business History."<sup>2</sup> In effect, he urged you, his colleagues, to "break through the narrow identification of business and company history and... return to the original broad concepts... (which have been) all but forgotten in the last 30 years."<sup>3</sup>

Of much deeper significance to me and, I might add, a source of great comfort, was Professor Arthur M. Johnson's comment on Dr. Redlich's paper.<sup>4</sup>

"Business history," said Professor Johnson, "is no carefully fenced game preserve on the broad plains of history. We should welcome the hunter who stumbles into our area, however we define it, while experimenting with new hunting techniques. . . . If we have to define our activity for purposes of detecting poachers, let's make the definition as broad as possible so those who would be poachers under one definition are transformed into welcome hunting companions by a different one."<sup>5</sup>

That was seven years ago, time enough, I hope, for Professor

Johnson's words to have worked their way into your personal and fraternal credo.

I am, as you may know, the Corporate Historian for United Air Lines. This is my livelihood, and for the past eight years, the corporation has paid me a monthly salary to carry out one basic function--to gather, organize, and preserve the records and mementos of the corporation. Now, this seems like a simple assignment, simple enough for any squirrel or magpie to undertake. In fact, it appears even simpler when you consider that United Air Lines has a library which gathers and preserves company publications and other esoteric published references on commercial aviation. We also have a Law Department which maintains extensive files on the corporation's legal transactions, a records management section which preserves documents that come under the statutory records preservation program, an Accounting Department which maintains our financial records, and a Corporation Secretary who keeps vital records relating to our Board of Directors, stockholders, security houses, and transfer agents.

With all these facilities at United's command, why did the company still feel the need for a Corporate Historian?

The answer, I think, lies in the words of Cicero, who said, "If no use is made of the labors of past ages, the world must remain always in the infancy of knowledge." F. W. Maitland echoed this sentiment when he said, "Today, we study the day before yesterday, in order that yesterday may not paralyze today, and today may not paralyze tomorrow."<sup>6</sup>

Our library, Law Department, records management section, Accounting Department, and Corporation Secretary's office fill our internal needs in the area of historical research. There still remains a need to organize this mass of data and make it available in some practical form to those outside the company who might find in such records, helpful materials for their projects. My function, then, is to bridge the gap between the corporation and the public, and provide a means for the efficient retrieval and presentation of historical data which the public in general, and business historians in particular, need to make an honest appraisal of United's role in the community, the industry, and the nation. A corollary to this is my responsibility to create in the public mind an awareness of our company's contributions to the development of commercial air transportation. These responsibilities explain why I am on the staff of the Vice President of Community Relations, who also functions as Assistant to the President of our corporation.

How do we, at United Air Lines, approach the subject of business history?

Let me go back to November 23, 1942, when Joseph P. Ripley, the man who untangled the corporate complexities of the pre-1934 United Air Lines family and laid the foundation for the company as we know it today, recommended that United's Board of Directors, of which he was then a member, authorize the preparation of the company's history.<sup>7</sup> Mr. Ripley proposed three forms in which the project might be carried out: a financial history, a corporate and legal history, and a popular history. The financial history

would trace the company's growth through financial and statistical data; the corporate and legal history would depict the company's relationships with stockholders and with federal, state, and foreign regulatory agencies; the popular history would present a romanticized version of the United Air Lines story.<sup>8</sup>

By 1944, Arthur Andersen & Co., our General Auditors, had completed work on five volumes of the financial history, covering the years 1926 through 1943.<sup>9</sup> On June 15, 1945, the financial history project was taken over by the Office of the Comptroller at United Air Lines, and this activity has since continued without interruption, and with three more volumes, each covering a five-year period, being added to the series. Our financial history has now been updated to 1958,<sup>10</sup> and, sometime this year, our Comptroller hopes to publish the ninth volume, which will bring the financial history forward to 1963.

As our General Auditors were getting ready to publish the first five volumes of the financial history in 1945, our Traffic Department was undertaking the preparation of the company's popular history. Due to staff changes, the project never got too far off the ground, and it was not until early in 1950 that a freelance writer, Mr. Frank J. Taylor, was retained by United to develop this history. Mr. Taylor's efforts resulted in publication in 1951 of "High Horizons", the romanticized story of United Air Lines. This book has since had four revisions to update the material to 1962.<sup>11</sup>

Now, about our corporate and legal history. This book, at the outset, was envisioned as an objective and thoroughly documented work which would serve as a complete record of corporate transactions and provide a clue to the substance and location of vital corporate documents. Mayer, Meyer, Austrian & Platt, the name then carried by United's General Counsel in Chicago, was assigned to develop this history. Because of manpower shortage during the war years, the project could not be immediately undertaken, and it was not until 1945, when one of the law firm's attorneys returned from military service, that work got under way.<sup>12</sup> The first volume, published in 1953, covers the period between 1925 and 1945.<sup>13</sup>

In 1956, three years after the first volume of the corporate history was published, Mr. William A. Patterson, who was then United's President, instructed our Law Department to undertake the preparation of the second volume of the corporate and legal history. The decade covering the years 1946 through 1955 was established as the period to be reviewed. As with the financial history, the project thus became an internal activity at United Air Lines, with an attorney in our Law Department assigned to research and write the volume. Unfortunately, the attorney resigned from the company in 1959. The book had then barely gone through the preliminary research stage.

It was at this point that I entered the field of business history. I was pulled out of our Engineering and Maintenance Department in San Francisco, where I had been writing administrative procedures and technical publicity stories on the Vice President's staff, and given custody of some 15 file drawers crammed

with corporate documents compiled by my predecessor. Although based in San Francisco, I reported to the Law Department at our headquarters in Chicago and was given the freedom to come in to headquarters at any time to interview management officials and examine corporate documents not available in San Francisco.<sup>14</sup> The book, our second volume in the series, was published three years ago. Its scope has been broadened to include, in addition to stockholder and regulatory matters, developments in the fields of personnel relations, facilities, operations, marketing, and equipment research and development.<sup>15</sup> The new volume brought our history forward to 1955, and just recently, we began laying plans for putting together the third volume of this history.

In the summer of 1963, as we were completing the final draft of the second volume, our company decided to venture into another branch of history. Mr. Patterson, around that time, had occasion to visit the Air Force Museum in Dayton, Ohio, and he was greatly impressed with the array of historic artifacts and striking graphic portrayal of the history of military aviation. He returned to our executive offices brimming with enthusiasm and eager to launch a project to establish a museum of air transport history which would depict through artifacts, documents, and photographs, the dramatic story of commercial aviation in the United States.<sup>16</sup>

By this time, you may have guessed that I was tapped to undertake this project. Because my only association with museums up to that time had been as a visitor, the company sent me on a two-week survey of government and industrial museums. I read books and technical papers on museum operation, talked to museum officials, and visited exhibits-design houses and display equipment manufacturing plants. Then, I returned to our executive offices and submitted my recommendations for an historical display program.<sup>17</sup>

The master proposal was quite ambitious and our management people realized that it would take time to accumulate enough exhibit materials for such a program. Thus it was decided to initiate the project with lobby displays that we could subsequently incorporate in a permanent and full-scale museum of air transport history.<sup>18</sup> In November of 1964, we inaugurated our first lobby display; eight months later, in July of 1965, we opened a second exhibit. Early last year, our Board of Directors approved funds for a full-scale museum in a new and separate building on our company grounds. Final drawings and specifications for this project are nearing completion, and before too long, we hope to release the package to contractors.

I hope I have not digressed too much from the subject of this Conference. Our museum project is, in fact, an extension of our historical research and writing, and we have gained from this project a valuable by-product in the form of significant corporate records which have been uncovered by outsiders and turned over to us for our museum collection. These documents, photographs, and ephemera, along with vital records used in the preparation of our historical studies, and records released from our statutory records preservation program, will comprise the nucleus

of our corporate archives which we hope to open to business historians and students of air transport history before many more years go by.

Let me just go back now to our corporate and legal history, which is probably the one area in our historical program that is of greatest concern to you. In these published volumes, we have generally adopted an empirical approach to microeconomics, which is simply a matter of reporting what happened when to a particular business unit - in this case, United Air Lines. This treatment, however, is not consistent, for in some areas we have gone beyond the empirical approach, focusing a little here and analyzing a little there, going beyond the presentation of mass data and into the study of specific situations which we have related, as best we can, to developments within the industry and around the Nation.

You may wonder, ladies and gentlemen, how we, at United Air Lines, face the issue of truth in history.

There was a time, you will recall, when air transport companies were terribly sensitive about aircraft accidents. When such a tragedy occurred, the airlines' public relations men were always the first on the scene, armed with buckets of paint with which they obliterated corporate identification on the wreckage. In those days, airlines public relations men went out of their way to keep unfavorable stories and photographs from appearing in print. At the other end of the spectrum, they took a P. T. Barnum approach in their attempts to promote air travel, and judging from airline publicity in the early thirties, it seems that only three types of people could afford to fly--politicians millionaires, and bosomy sex kittens from Hollywood. But those days have gone the way of the "robber barons," the sweatshops, and the medicine men.

The air transport industry has matured; more so, I think, than any other form of mass transportation. Now, don't misunderstand me, we still work towards creating a favorable public image, but here, we walk the narrow line of decency and good taste. We will not distort the truth to achieve this end. Today, our public relations men, and I am one of them, serve as a bridge between the corporation and the public, interpreting one's needs to the other, and facilitating the dialog that must forever transpire between these two segments of our community.

I mention these to show you that this corporate maturity has found its way into our historical writing project. Our corporate history devotes a complete chapter to aircraft accidents, and we have made no attempts to disguise the findings of the Civil Aeronautics Board and the Federal Aviation Agency. More than half of another chapter discusses our labor problems, and here, we present not only the company's side, but the union's as well. We discuss conflicts in our relationships with regulatory agencies at the federal, state, and local levels. We try to analyze these the best we can, and if the effort fails, the fault lies not in the sensitivity of the corporation, but in the weakness of the Corporate Historian.

What I am trying to say, ladies and gentlemen, is that in

our corporate history project, we at United Air Lines "call 'em as we see 'em." We do not apologize; we do not bally-hoo; we neither praise nor damn. This, we feel, is as close as we can get to the incredible truth.

As in any approach to business history, we find advantages and disadvantages in the retention of a Corporate Historian on a company's payroll.

The greatest advantage, I would say, comes in the savings realized from less involvement on the part of top management. It is true that our officials are not entirely released from this responsibility. They still spend time on interviews and are asked to review chapter drafts, but because of the close working relationship I have established with them over the years, and because of my familiarity with corporate developments as these occur, my demand on their time comes nowhere near that which might be imposed by an outside historian who tackles the project cold and must, of necessity, start from scratch.

There is also an advantage in the fact that a Corporate Historian, who is on a company's payroll, has more access to company records than an outsider could hope to have. Because they are sure that I am not out to crucify them or the company, our officers are less sensitive about their files and other records.

Another major advantage, I would say, is the availability of a ready staff of experts who can bridge the technological gap between the Corporate Historian and the subject at hand. We have engineers, computer experts, tariff specialists, financial experts, marketing specialists, corporation lawyers, doctors, and even foreign-trained chefs whose services are at the disposal of the Corporate Historian. And I might add that I have availed myself of such services on countless occasions.

Still another advantage is the accumulated company experience which helps me determine right off the areas that merit exploration. It is also this company background which helps me locate appropriate source materials with the least investment of time and energy. I would, of course, be a hypocrite if I did not also consider as a definite advantage--to me, in any case--the economic security I attach to the paycheck.

Let us examine the other side of the coin to see what disadvantages lie in this system.

First and foremost of these is what Dr. Redlich describes as the "unavoidable myopia of the practitioner."<sup>19</sup> This, unfortunately, plagues a Corporate Historian worse than any other type of business historian. However, my concern in this area is tempered to some extent by a story about an historian who was putting a Mormon student through an oral examination as part of the historian's evaluation of the student's paper on a facet of Mormon history. The learned interrogator asked the young student, "Do you, being a Mormon, consider yourself sufficiently unprejudiced to write a thesis on Mormon history?" To which the somewhat daring student replied, "Yes, if you, not being a Mormon, consider yourself sufficiently unprejudiced to evaluate my work."<sup>20</sup>

An even greater disadvantage than the "unavoidable myopia of the practitioner" is the unwritten code which prevents the

Corporate Historian from probing the personal dimension. History has taught us that enterprises have flourished or floundered on the strengths and weaknesses of entrepreneurs. There are important lessons and a great deal of drama wrapped in the lives of the men who ran business empires or even modest ventures. But, as a salaried historian, I find myself in the awkward position of being able neither to praise nor damn, nor even to appraise the men around me. This is the large gaping hole in our historical studies.

There is yet another disadvantage. Although our historical studies report what happened to the company, when it happened, and why it happened, there is little opportunity to analyze the company in the light of our competitors. I speak, of course, of analysis in depth. This would involve digging into the records of such competitors, and I strongly doubt that this would ever be possible so long as I wear the badge of United Air Lines. But, maybe, this should not really be too disappointing. We, at United, I might say again, are pursuing the field of microeconomics, and any attempts to probe areas beyond our corporate limits might well lie in the field of macroeconomics.

This, ladies and gentlemen, is our view of business history from within. It may well be a myopic view, but it is yours to share with us, if you are so inclined.

Dean Clarence C. Walton, in the stimulating Conference of 1961, made the comment that "the special skill of historians..." and here I would replace the word "skill" with "function" to say, the special function of historians... "is to provide a commodious edifice, structured in reality, in which syntheses can be developed, and these syntheses, in turn, can provide adequate bases for policy formation and policy evaluation."<sup>21</sup>

Ladies and gentlemen, we at United Air Lines feel that we have built such an edifice in the form of our historical studies, and these are available to those of you who might wish to synthesize our findings and develop from them your own honest appraisal of United Air Lines.

With that as a parting invitation, I leave this platform saying to you, "Business Historians of the world welcome to our game preserve."



## NOTES

<sup>1</sup>October 27-28, 1961.

<sup>2</sup>Fritz Redlich, "Approaches to Business History", Business History Review vol. XXXVI (Spring, 1962), p. 63.

<sup>3</sup>Ibid.

<sup>4</sup>Arthur M. Johnson, comment on Redlich paper cited above, Business History Review, ibid., p. 78.

<sup>5</sup>Ibid.

<sup>6</sup>Charles P. Curtis, Jr and Ferris Greenslet, The Practical Cogitator (Boston, 1945), p. 124.

<sup>7</sup>See Resolution dated Nov. 23, 1942 in Minute Book of United's Board of Directors.

<sup>8</sup>See letter dated February 27, 1945, from Mr. W. A. Patterson, then United's President, to company officers.

<sup>9</sup>Arthur Andersen & Co., United Air Lines, Inc., Financial History to December 31, 1943, vols 1-5 (Chicago, 1945).

<sup>10</sup>United Air Lines, Inc., Financial History to 1958, vols. 6-8 (Chicago, 1960).

<sup>11</sup>Frank J Taylor, High Horizons, rev. ed. (New York, 1962).

<sup>12</sup>See letter dated May 25, 1945, from Mr. Paul A. Godehn, of Mayer, Meyer, Austrian & Platt, to Mr. John Newey, then United's Vice President - Finance.

<sup>13</sup>Mayer, Meyer, Austrian & Platt, Corporate and Legal History of United's Air Lines, Inc. and Its Predecessors and Subsidiaries, 1925-1945 (Chicago, 1953).

<sup>14</sup>See letter dated June 8, 1960, from Mr. C. F. McErlean, then United's Senior Vice President - Law, to company officers and members of United's General Staff.

<sup>15</sup>Corporate and Legal History of United Air Lines, Inc. and Its Subsidiaries 1946-1955, vol. 2 (United Air Lines, Inc., Elk Grove Twp., Ill. 1965).

<sup>16</sup>See letter dated May 20, 1963 from Mr. Patterson to Messrs. R. M. Ruddick, Vice President and Assistant to the President; R. E. Johnson, Senior Vice President-Marketing and Services, and C. F. McErlean, Senior Vice President-Law.

<sup>17</sup>Adriano G. Delfino, "Museum Survey Trip Report," dated July 19, 1963.

<sup>18</sup>See letter dated January 29, 1964 from Mr. Ruddick to Mr. Patterson.

<sup>19</sup>Redlich, op. cit., p. 65.

<sup>20</sup>Arnold S. Nash, quoted in The Practical Cogitator, op. cit.

<sup>21</sup>Clarence C. Walton, "Business History: Some Major Challenges," Business History Review, ibid., supra note 2, p. 27.